



## MEDICAL NEGLIGENCE AND CORPORATE HEALTHCARE LIABILITY: A CRITICAL LEGAL ANALYSIS OF THE YASHODA HOSPITAL NEGLIGENCE CASES IN INDIA

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**BEST CITATION** – THOMAS ALEX, MEDICAL NEGLIGENCE AND CORPORATE HEALTHCARE LIABILITY: A CRITICAL LEGAL ANALYSIS OF THE YASHODA HOSPITAL NEGLIGENCE CASES IN INDIA, *INDIAN JOURNAL OF LEGAL REVIEW (IJLR)*, 6 (3) OF 2026, PG. 476-480, APIS – 3920 – 0001 & ISSN – 2583-2344.

### Abstract

The issue of medical negligence has become of great focus in the current healthcare systems, especially in such countries as India where the rise of the private corporate hospitals has changed the sphere of delivering medical care. Even though corporate hospitals offer state-of-the-art technology and special care, they also cast doubt on issues of accountability and patient rights as well as ethical medical practice. One of the institutions that have come into focus regarding this is the Yashoda Hospital which is a major Indian based institution in the sphere of healthcare provision, and has branches in various cities of India. Different lawsuits and consumer complaints have brought claims of carelessness, misbehaviour, and lack of commitment to the laid out medical practices. This essay reflects upon the legal aspect of medical negligence concerning the Yashoda Hospital cases that the consumer forums and courts in India have ruled. It discusses the legal principles in medical negligence, the standard of care that should be maintained by the medics and the liability of corporate hospitals as per the consumer protection law and the tort law. Special consideration is given to the cases when the appeals to the courts and consumer commissions resulted in compensation, and claims concerning the alleged negligence in surgical practice, in diagnosis and in post-operative treatment. The paper also talks about cases when allegations were quashed because there was no evidence or gross negligence was not in existence thus showing the legal standard in order to prove liability. In this study, the legal question that will be determined through the analysis of doctrine and the case law is how Indian courts are striking the balance between the rights of patients versus the professional autonomy of the doctor. It also reviews the purpose of consumer protection mechanisms in availing remedies to victims of medical negligence. Finally, the paper concludes that even though the judicial intervention has reinforced the rights of patients, the major structural issues still exist in the regulation of corporate healthcare institutions and ethical medical practice.

**KEYWORDS:** – Medical Negligence; Corporate Hospital Liability; Consumer Protection; Patient Rights; Standard of Care.

### Introduction

Healthcare has a special place in the law and ethics due to the protection of life and physical integrity. Physicians have been endowed with a responsibility of executing their duties to the patient with reasonable skill, care, and diligence. In the event that this obligation is

violated and results in injury, the law considers such a behaviour to be an act of medical negligence. The problem of medical negligence has become significant in India with the growth of corporate hospitals that run on a commercial basis, but offer specialized medical services. The concept of medical negligence is usually perceived as preventing the medical

practitioner to apply the degree of care and skill that can be utilized by a moderately proficient practitioner in the same situation. Legal principles that apply to such negligence have developed in the form of judicial precedents, law, and consumer protection measures. The courts in India have constantly stated that physicians are not guaranteed of positive results but they must adhere to set standards and best medical practices. The emergence of corporate hospitals has also created new complexities in setting the liability. Hospitals are run as groups of medical staff, administrative personnel, and highly sophisticated technology unlike individual practitioners. Consequently, the issue of institutional liability is critical when patients get harmed on grounds of purported negligence. The act has now been realised in the law that hospitals are vicariously liable to the actions of their employees and consultants. Yashoda Hospital is a known health care organization based in Hyderabad and has been engaged in a number of court cases related to accusations of medical negligence. The cases will be useful in understanding how Indian courts consider evidence, assess the standard of care, and resolve to issue compensation in medical negligence cases. Courts have in certain situations blamed the hospital to have not adhered to the laid down procedures or to have had shortfalls in the treatment. Otherwise, the claims were dismissed after the complainants did not prove gross negligence or expert medical testimony. In this research paper, the legal implications of such cases are explored and the such cases have been put in the context of the medical negligence law in India. Through the analysis of court cases and consumer commission cases involving Yashoda Hospital, the paper will endeavour to explain why patients are struggling to sue companies and the changing judicial trend towards corporate medical responsibility.

### **India Medical negligence legal framework**

Medical negligence in India is regulated by both tort law principles and statute law as well as precedent law. In the past, the law of torts was

used to take negligence cases in the form of civil suits. But after the Consumer Protection Act was passed, patients started going to consumer forums to claim compensation due to medical services deficiency. The case *Indian Medical Association v. V.P. Shantha* was a landmark decision in India which recognized medical services as one of the categories of services under the consumer protection law, which resulted in patients having recourse to the consumer courts to remedy hateful medical treatment.<sup>1160</sup> Such a ruling greatly opened access to justice to the patients as it offered them a cheaper and much quicker process of dispute resolution. Courts tend to use generally the Bolam test in the determination of the medical negligence; this is based on the English case, *Bolam v. Friern Hospital Management Committee*.<sup>1161</sup> Following this rule, a medical practitioner cannot be said to be negligent where the treatment he or she administers is addressed to a practice that is considered as being right by a responsible organization of legal medical practitioners who are skilled in the field of that kind of medical practice. The Indian courts have applied this criterion severally in evaluating the claims of negligence. The other significant doctrine was established by the Supreme Court in *Jacob Mathew v. State of Punjab* which stated that negligence should entail some form of gross or reckless behaviour to establish criminal liability.<sup>1162</sup> The Court reiterated that a failure of one of the treatment outcomes should not result in the criminal prosecute of medical professionals. Under this legal system, corporate hospitals can be liable in two aspects. First, the hospital can be charged in vicarious liability where it is the cause of negligence by doctors or other staff in the hospital. Second, by direct liability, the hospital contains incompetence in terms of providing the adequate infrastructure, supervision, or administration to offer a proper medical care. The cases of Yashoda Hospital and the legal arguments that were taken by

<sup>1160</sup> *Indian Med. Assn. v. V.P. Shantha*, (1995) 6 S.C.C. 651 (India)

<sup>1161</sup> *Bolam v. Friern Hosp. Mgmt. Comm.*, [1957] 1 W.L.R. 582 (Q.B.).

<sup>1162</sup> *Jacob Mathew v. State of Punjab*, (2005) 6 S.C.C. 1 (India).



consumer forums and courts are based on these rules.

### **Yashoda Hospital and Medical Negligence Claim**

Yashoda Hospital is one of the most successful corporate healthcare institutions in India, specializing in medical service and having one of the best treatment facilities. In spite of its image, the hospital has not been spared of a number of legal law suits regarding perceived medical negligence and service failure. An interesting example was a fatality of a patient who underwent an endoscopic procedure. The patient, which had a history of jaundice, was recommended to have an Endoscopic Retrograde Cholangiopancreatography (ERCP) performed at Yashoda Hospital. In the process, the anaesthesia was done with the help of the drug called propofol which supposedly caused serious complications leaving the patient in a comatose condition. Eventually, the patient lost her brain and died after a long time of torture. Under the National Consumer Disputes Redressal Commission, the hospital was deemed guilty of negligence and compensation was given to the family of the victim.<sup>1163</sup> The hospital was also criticised by the Commission that did not adhere to standard medical procedures and had unethical practices in regard to financial aspects of treatment in a government health scheme. Based on the results, this hospital carried on with treatment until its government-funded limit was depleted and then proceeded to charge the family of the patient extra payments. This behaviour was considered as not correlating with the ethical actions that healthcare providers were supposed to deliver. The other scenario was that of a patient who had been undergoing knee replacement in the hospital. According to the claims by the family of the patient, some crucial pre-operative diagnostic tests had not been done prior to the surgery. After the procedure the patient has

developed some severe complications such as an abdominal abscess which would lead him back to the operating theatre. The Telangana State Consumer Disputes Redressal Commission, established the hospital liable on negligence and ordered it to compensate the family of the patient. These cases demonstrate how courts and consumer forums consider whether hospitals met the standard of care that they should have done. Lack of performing required diagnostic tests or adhering to the established treatment guidelines may be viewed as a breach to the duty of care owed to the patients. But not every case of negligence committed by Yashoda Hospital has been found guilty of negligence. There have been instances where complaints have been dismissed by courts as they lack evidence or there is no showing that the doctors were performing beyond the accepted medical practice. To illustrate, in an instance of the supposed misdiagnosis of signs of neurological disorders, a patient stated that the hospital misdiagnosed him with multiple sclerosis and provided him with the wrong medication. The patient later received a different diagnosis at another institution and claimed that the wrong treatment had aggravated his condition. The National Consumer Disputes Redressal Commission eventually overruled the complaint reiterating that high level of negligence should be established to impose liability to medical professionals. The Commission noted that medical opinion differences do not always amount to negligence and that the fact that a doctor is subsequently proved to be wrong by a second expert does not make the doctor liable. This argument indicates the judicial appreciation of the uncertainty surrounding medicine and professional judgment.

### **Patient Rights and Consumer Protection**

The rising cases of medical negligence in India are indicative of an increased awareness of the legal rights by the patients. The consumer protection forums have been very instrumental in offering redress to the victims of careless medical service. Through the Consumer

<sup>1163</sup> Chief Med. Officer, Yashoda Hosp. v. D. Uma Devi, First Appeal No. 1149 of 2014, Nat'l Consumer Disputes Redressal COMM (India).

Protection Act, patients can cite medical services that remain deficient as sources of their harm against healthcare providers. Consumer forums are given the power to review medical documentation, expert testifying, and assess the quality of treatment delivered in accordance with acceptable medical practices. In the scenarios of Yashoda Hospital cases, the consumer commissions have a number of times highlighted the need to have proper medical records, informed consent and following the set clinical guidelines. Non-adherence to these requirements will prompt the results of negligence and liability. The other significant area in the consumer protection is the liability of the hospital as a corporation. Courts have declared that hospitals could not get off the hook by claiming that doctors are independent consultants. By taking the patients to the hospital, they have a reasonable expectation that the hospital would provide them with competent medical care and adequate supervision. This vicarious liability enables the patients to have a viable venue of compensation even where individual doctors may not be in a position to meet a verdict. Corporate hospitals, in turn, have an increased chance of a greater responsibility to act professionally and be accountable in their medical teams.

### **Difficulty in Establishing Medical Negligence**

Although there are legal redresses, medical negligence is a difficult case to prove among the patients. Experts in the field of medicine are usually needed to prove to the courts that the treatment administered was not under the accepted standards of care. Such a need may cause practical challenges, since medical practitioners might be unwilling to testify against their colleagues. Also, hospitals usually have more access to the medical records, technical knowledge and the legal resources and this can put patients at a disadvantage in the litigation process. Medical procedures are also complicated and thus, non-experts cannot assess the negligence that may have been caused. The cases of Yashoda Hospital in

judicial determination show how these issues impact the negation of negligence. Courts have not been hesitant to give compensation in situations where expert evidence is clearly able to demonstrate that there is a deviation in the standard practices in the medical field. But in situations where the medical opinions have been conflicting or there is a lack of evidence complaints have been thrown out. Such cautiousness also shows the judiciary trying to strike a balance between two antagonistic issues: how to secure the patients against negligence in treatment, and how to prevent unreasonable harassment of medical practitioners who operate in good faith.

### **Ethical and Regulatory Implications**

The Yashoda Hospital cases also tend to point to the bigger issues in the corporate healthcare sector in terms of ethical matters. There have often been complaints of unwarranted operations, overcharging, and financial abuse of the patients by the hands of the private hospitals in India. Most of these accusations have not been confirmed, but they highlight the necessity of more extensive regulation and a sense of transparency in medical practice. The government agencies, medical councils, and consumer forums are significant in making sure that the hospitals are guided by ethical standards. To avoid conflict and enhancing patient confidence, the standard treatment guidelines, requirements to disclose treatment costs, and the improvement of grievance redressal mechanisms might help. Moreover, medical ethics and patient rights should also be included in professional training to minimize the cases of negligence.

### **Conclusion**

One area of healthcare law is the most complex and delicate, i.e., medical negligence. The examples of Yashoda Hospital depict the complexity of the issues relating to the definition of liability in medical care. Although the right of patients to claim damages in cases of negligent treatment has been acknowledged in the judicial system, the courts have also



highlighted the requirement of high quality of evidence and witnessing before any medical practitioner is found guilty. Cases show that hospitals could be liable when they do not adhere to the set medical procedures, do required diagnostic procedures or offer sufficient supervision of any medical staff. Simultaneously, courts have always been categorical that mere negligence in judgment, or a varying view of the medical opinion, does not necessarily amount to negligence. The changing jurisprudence of medical negligence is a larger attempt to strike a balance between the rights of patients and the professional freedom of healthcare providers. In India, with the further growth of corporate hospitals, the accountability and ethical medical practice will be a major legal and regulatory concern. However, in the end, institutionally reinforcing control, enhancing medical treatment transparency and patient understanding of legal rights are the necessary steps towards creating an efficient and just healthcare system. The cases of Yashoda Hospital experience can be taken as a valuable lesson to show that the law should always be modified to meet the demands of the current healthcare environment and protect the primary rights of the patients.

